**V. Sankar Aiyar & Co.**
CHARTERED ACCOUNTANTS
2-C, Court Chambers
35, New Marine Lines
Mumbai - 400 020

Tel. : 2200 4465, 2206 7440
Fax : 91-22-2200 0649
E-mail : mumbai@vsa.co.in
Website : www.vsa.co.in

## LIMITED REVIEW REPORT ON THE UNAUDITED FINANCIAL RESULTS FOR THE HALF YEAR ENDED 30TH SEPTEMBER 2015

The Board of Directors
DCW Limited
Mumbai.

1. We have reviewed the accompanying statement of unaudited financial results of M/s. DCW Limited (stand alone) for the half year ended 30th September, 2015 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the Company's management and has been approved by the Board of Directors.

2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, *Review of Interim Financial Information performed by the Independent Auditor of the Entity*. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

3. We have neither performed a review nor performed an audit of the figures / notes for the consolidated results for the half year ended 30th September, 2015 as reported in the statement and accordingly do not express any opinion thereon. However based on our review conducted for the half year ended 30th September, 2015 of the stand alone financial results, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognized accounting practices and policies generally accepted in India has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

4. We draw attention to Note 3 to the published unaudited financial results for the half year ended 30th September 2015 which describes the uncertainty related to the outcome of the petitions/appeals filed by the company in the matter of retrospective legislation and electricity tax demand of Rs.3146.01 lacs on captive power generated during the period 2003-2012 and in the matter of customs duty demand of Rs.2961.65 lacs on coal imported by the company during 2011 and 2012 respectively and hence have not been provided. Our opinion is not qualified in respect of this matter.

For **V. Sankar Aiyar & Co.**
**Chartered Accountants**
**Firm Regn. No.109208W**

Place: Mumbai
Date : November 10, 2015

**(G. Sankar)**
**Partner**
**Membership No.46050**

DCW LIMITED

*Registered office : Dhrangadhra - 363315 ( Gujarat )*

*Head Office :'Nirmal', Nariman Point , Mumbai - 400021.*

*Website : www.dcwltd.com , Telephone : 22871914/16.*

*Telefax : 22 22028838, E-mail : ho@dcwltd.com*

*CIN : L24110GJ1939PLC000748*

*Rs. in lacs*

## *UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2015 :*

| PART I | QUARTER ENDED | | | HALF YEAR ENDED | | YEAR ENDED |
|---|---|---|---|---|---|---|
| PARTICULARS | 30.09.2015 Unaudited | *30.06.2015 Unaudited* | *30.09.2014 Unaudited* | 30.09.2015 Unaudited | *30.09.2014 Unaudited* | *31.03.2015 Audited* |
| **1. INCOME FROM OPERATIONS :** | | | | | | |
| (a) Net sales/income from operations (Net of excise duty) | 34,796.83 | *30,436.18* | *31,728.36* | 65,233.01 | *63,087.75* | *125,081.36* |
| (b) Other operating income | 150.00 | *70.31* | *67.21* | 220.31 | *67.21* | *365.46* |
| **TOTAL INCOME FROM OPERATIONS (NET)** | **34,946.83** | ***30,506.49*** | ***31,795.57*** | **65,453.32** | ***63,154.96*** | ***125,446.82*** |
| **2. EXPENDITURE :** | | | | | | |
| a. Cost of materials consumed | 16,036.37 | *15,507.13* | *17,648.77* | 31,543.50 | *34,015.96* | *64,925.18* |
| b. Purchase of stock-in-trade | 3.16 | *6.78* | - | 9.94 | *1.86* | *7.22* |
| c. Power and Fuel | 5,095.82 | *5,796.83* | *5,074.22* | 10,892.65 | *11,352.00* | *22,543.94* |
| d. Changes in inventories of finished goods | 1,822.92 | *(1,685.28)* | *74.64* | 137.64 | *(397.56)* | *4,208.92* |
| e. Employee benefits expense | 2,410.18 | *2,378.82* | *2,287.59* | 4,789.00 | *4,606.69* | *9,216.25* |
| f. Depreciation | 1,699.45 | *1,478.33* | *1,308.08* | 3,177.78 | *2,624.21* | *5,200.16* |
| g. Other expenses | 5,730.37 | *4,467.43* | *4,837.35* | 10,197.80 | *8,839.42* | *18,077.67* |
| **TOTAL EXPENSES** | **32,798.27** | ***27,950.04*** | ***31,230.65*** | **60,748.31** | ***61,042.58*** | ***124,179.34*** |
| **3. Profit / (Loss) from operations before other income, finance costs and exceptional items ( 1 - 2 )** | **2,148.56** | ***2,556.45*** | ***564.92*** | **4,705.01** | ***2,112.38*** | ***1,267.48*** |
| **4. Other income** | 16.02 | *24.31* | *29.87* | 40.33 | *50.49* | *184.87* |
| **5. Profit / (Loss) from ordinary activities before tax (3 + / - 4)** | **2,164.58** | ***2,580.76*** | ***594.79*** | **4,745.34** | ***2,162.87*** | ***1,452.35*** |
| **6. Finance costs** | 1,326.98 | *1,299.21* | *571.82* | 2,626.19 | *1,086.87* | *1,868.72* |
| **7. Profit / (Loss) from ordinary activities after finance costs but before exceptional items ( 5 + / - 6 )** | **837.60** | ***1,281.55*** | ***22.97*** | **2,119.15** | ***1,076.00*** | ***(416.37)*** |
| **8. Exceptional items** | - | - | *362.53* | - | *362.53* | *60.16* |
| **9. Profit / (Loss) from ordinary activities before tax ( 7 + / - 8 )** | **837.60** | ***1,281.55*** | ***385.50*** | **2,119.15** | ***1,438.53*** | ***(476.53)*** |
| **10. Tax expense** | 280.00 | *370.00* | *119.00* | 650.00 | *419.00* | *115.64* |
| **11. Net Profit / (Loss) from ordinary activities after tax (9 +/- 10)** | **557.60** | ***911.55*** | ***266.50*** | **1,469.15** | ***1,019.53*** | ***(592.17)*** |
| **12. Extraordinary items (net of tax expense)** | - | - | - | - | - | - |
| **13. Net Profit / (Loss) for the period ( 11 + / - 12 )** | **557.60** | ***911.55*** | ***266.50*** | **1,469.15** | ***1,019.53*** | ***(592.17)*** |
| **14. Paid-up equity share capital** *(Face value of Rs. 2/- each)* | 4,269.89 | *4,269.89* | *4,269.89* | 4,269.89 | *4,269.89* | *4,269.89* |
| **15. Reserve excluding Revaluation Reserves as per Balance sheet of previous accounting year** | | | | | | *51,016.31* |
| **16.i Earnings per share (before extraordinary items)** (Face value of Rs.2/- each) (not annualised) : | | | | | | |
| Basic and Diluted | 0.26 | *0.43* | *0.12* | 0.69 | *0.48* | *(0.28)* |
| **16.ii Earnings per share (after extraordinary items)** (Face value of Rs.2/- each) (not annualised) : | | | | | | |
| Basic and Diluted | 0.26 | *0.43* | *0.12* | 0.69 | *0.48* | *(0.28)* |

| PART II | QUARTER ENDED | | | HALF YEAR ENDED | | YEAR ENDED |
|---|---|---|---|---|---|---|
| PARTICULARS | 30.09.2015 Unaudited | *30.06.2015 Unaudited* | *30.09.2014 Unaudited* | 30.09.2015 Unaudited | *30.09.2014 Unaudited* | *31.03.2015 Audited* |
| **A. PARTICULARS OF SHAREHOLDING** | | | | | | |
| **1. Public shareholding** | 11,06,87,297 | *11,06,87,297* | *11,15,10,368* | 11,06,87,297 | *11,15,10,368* | *11,17,42,863* |
| - Number of shares | 51.85% | *51.85%* | *52.23%* | 51.85% | *52.23%* | *52.34%* |
| - Percentage of shareholding | | | | | | |
| **2. Promoters and Promoter Group Shareholding** | | | | | | |
| a) Pledged / Encumbered | | | | | | |
| - Number of shares | NIL | *NIL* | NIL | NIL | *NIL* | *NIL* |
| - Percentage of shares (as a % of the total shareholding of promoter and promoter group) | NIL | *NIL* | NIL | NIL | *NIL* | *NIL* |
| - Percentage of shares (as a % of the total share capital of the company) | NIL | *NIL* | NIL | NIL | *NIL* | *NIL* |
| b) Non - encumbered | | | | | | |
| - Number of shares | 10,28,07,360 | *10,28,07,360* | 10,19,84,289 | 10,28,07,360 | *10,19,84,289* | *10,17,51,794* |
| - Percentage of shares (as a % of the total shareholding of promoter and promoter group) | 100% | *100%* | 100% | 100% | *100%* | *100%* |
| - Percentage of shares (as a % of the total share capital of the company) | 48.15% | *48.15%* | 47.77% | 48.15% | *47.77%* | *47.66%* |

| Particulars | 3 months ended 30.09.2015 |
|---|---|
| **B. INVESTOR COMPLAINTS** | |
| Pending at the beginning of the quarter | Nil |
| Received during the quarter | 15 |
| Disposed of during the quarter | 15 |
| Remaining unresolved at the end of the quarter | Nil |

## SEGMENT REVENUE, RESULTS AND CAPITAL EMPLOYED :

| PARTICULARS | QUARTER ENDED | | | HALF YEAR ENDED | | YEAR ENDED |
|---|---|---|---|---|---|---|
| | 30.09.2015 Unaudited | 30.06.2015 Unaudited | 30.09.2014 Unaudited | 30.09.2015 Unaudited | 30.09.2014 Unaudited | 31.03.2015 Audited |
| **I) Segment Revenue : ( Net Income )** | | | | | | |
| a. Soda Ash | 4,963.33 | 4,718.05 | 4,779.66 | 9,681.38 | 9,750.96 | 19,284.31 |
| b. Caustic Soda | 14,842.66 | 11,040.65 | 10,236.61 | 25,883.31 | 22,762.52 | 44,652.47 |
| c. Synthetic Iron Oxide Pigments | 123.51 | 25.09 | - | 148.60 | - | - |
| d. PVC | 14,366.35 | 14,243.90 | 16,087.34 | 28,610.25 | 29,387.33 | 59,656.36 |
| e. Others | 500.98 | 408.49 | 624.75 | 909.47 | 1,186.94 | 1,488.22 |
| **Net Sales from operation** | **34,796.83** | **30,436.18** | **31,728.36** | **65,233.01** | **63,087.75** | **125,081.36** |
| **ii. Segment Results : (Profit before Interest and Tax)** | | | | | | |
| a. Soda Ash | 915.55 | 762.04 | 860.19 | 1,677.59 | 1,745.85 | 3,668.97 |
| b. Caustic Soda | 1,941.44 | 1,438.05 | (822.94) | 3,379.49 | (506.68) | (2,504.79) |
| c. Synthetic Iron Oxide Pigments | (836.53) | (356.76) | - | (1,193.29) | - | - |
| d. PVC | (207.39) | 496.29 | 108.99 | 288.90 | 108.02 | (568.88) |
| e. Others | 351.51 | 241.14 | 448.55 | 592.65 | 815.68 | 857.05 |
| **Total :** | **2,164.58** | **2,580.76** | **594.79** | **4,745.34** | **2,162.87** | **1,452.35** |
| Less : Interest | 1,326.98 | 1,299.21 | 571.82 | 2,626.19 | 1,086.87 | 1,868.72 |
| Exceptional Items - Profit / (Loss) | - | - | 362.53 | - | 362.53 | (60.16) |
| **TOTAL PROFIT BEFORE TAX** | **837.60** | **1,281.55** | **385.50** | **2,119.15** | **1,438.53** | **(476.53)** |
| **iii. Capital Employed (Segment assets - Segment Liabilities)** | | | | | | |
| a. Soda Ash | 18,056.95 | 17,456.13 | 17,283.53 | 18,056.95 | 17,283.53 | 17,352.67 |
| b. Caustic Soda | 57,849.43 | 43,462.77 | 93,351.49 | 57,849.43 | 93,351.49 | 43,308.66 |
| c. Synthetic Iron Oxide Pigments | 36,360.08 | 54,509.51 | - | 36,360.08 | - | 48,607.49 |
| d. PVC | 6,028.28 | 16,012.37 | 8,448.58 | 6,028.28 | 8,448.58 | 6,296.67 |
| e. Others | 8,002.87 | 4,455.62 | 9,065.09 | 8,002.87 | 9,065.09 | 9,768.79 |
| **Total :** | **126,297.61** | **135,896.40** | **128,148.69** | **126,297.61** | **128,148.69** | **125,334.28** |

*NOTES :*

1. *The above results, which have been subjected to a limited review by the statutory auditors of company were reviewed by the audit committee of the Board and approved by the Board of Directors of the Company at their meeting held on 10th November, 2015 and have been prepared in accordance with clause 41 of the listing agreement.*
2. *Tax Expense comprises of current tax, deferred tax liabilities / assets and MAT credit entitlement, if any.*
3. *In the matter of*
   - *A. Tamil Nadu Electricity Tax demand of Rs. 3146.01 lacs in respect of captive power generated at Sahupuram unit for the period 2003 to 2012, the Company has been legally advised and is hopeful of favourable outcome before the Supreme Court on the invalidity of and the retrospective application of the Amending Act of 2003 and in the writ petition filed before the Hon'ble Madras High Court. No provision is considered necessary by the management for the Electricity Tax demand.*
   - *B. In respect of demand of differential duty of Customs of Rs. 2961.65 lacs in respect of coal imports in earlier years the Company has been legally advised that it has the fair chance of success before CESTAT. Accordingly no provision has been made in the accounts.*
4. *Prior period figures have been reclassified / regrouped wherever necessary for comparative purposes.*

## STATEMENT OF ASSETS & LIABILITIES :

| Particulars | Unaudited As at 30.09.2015 | Audited As at 31.03.2015 |
|---|---|---|
| A. EQUITY AND LIABILITIES | | |
| **1. Shareholders' funds** | | |
| (a) Share Capital | 4,269.89 | 4,269.89 |
| (b) Reserves and Surplus | 53,208.54 | 51,739.40 |
| **Subtotal - Shareholders' funds** | **57,478.43** | **56,009.29** |
| **2. Non - Current liabilities** | | |
| (a) Long-Term borrowings | 55,521.57 | 56,739.65 |
| (b) Deferred Tax Liability (net) | 12,117.87 | 11,467.87 |
| © Long term provisions | 1,179.74 | 1,104.74 |
| (d) Other Long term liabilities | 3,583.00 | 2,500.00 |
| **Sub total - Non Current liabilities** | **72,402.18** | **71,812.26** |
| **3. Current liabilities** | | |
| (a) Short term borrowings | 12,577.73 | 11,263.94 |
| (b) Trade payables | 40,351.67 | 29,383.85 |
| © Other current liabilities | 13,981.03 | 16,166.40 |
| (d) Short term provisions | - | - |
| **Sub total - Current liabilities** | **66,910.43** | **56,814.19** |
| TOTAL - EQUITY AND LIABILITIES | *196,791.04* | *184,635.74* |
| B. ASSETS | | |
| 1. Non Current Assets | | |
| (a) Fixed Assets | 153,466.62 | 148,454.00 |
| (b) Non Current Investments | 5.10 | 5.10 |
| © Long term loans and advances | 836.95 | 2,134.43 |
| (d) Other non current assets | 607.75 | 704.42 |
| **Sub total - Non current assets** | **154,916.42** | **151,297.95** |
| **2. Current assets** | | |
| (a) Current Investments | - | - |
| (b) Inventories | 21,363.18 | 16,559.74 |
| © Trade receivables | 10,202.44 | 9,458.13 |
| (d) Cash and Bank balances | 329.70 | 573.15 |
| (e) Short term loans and advances | 9,979.30 | 6,746.77 |
| **Sub total - Current assets** | **41,874.62** | **33,337.79** |
| TOTAL ASSETS | *196,791.04* | *184,635.74* |

***The company has a subsidiary DCW Pigments Ltd., accordingly consolidated figures are as follows :***

| CONSOLIDATED FIGURES : | QUARTER ENDED | | | HALF YEAR ENDED | | YEAR ENDED |
|---|---|---|---|---|---|---|
| | 30.09.2015 Unaudited | 30.06.2015 Unaudited | 30.09.2014 Unaudited | 30.09.2015 Unaudited | 30.09.2014 Unaudited | 31.03.2015 Audited |
| Turnover Net | 34,796.83 | 30,436.18 | 31,728.36 | 65,233.01 | 63,087.75 | 125,081.36 |
| Net Profit after tax | 557.60 | 911.55 | 266.50 | 1,469.15 | 1,019.53 | (592.17) |
| **Earning per share (Face value of Rs. 2/- each)** | | | | | | |
| Basic and Diluted | 0.26 | 0.43 | 0.12 | 0.69 | 0.48 | (0.28) |

***For and on behalf of the Board of Directors***

*Place : Mumbai*
*Dated : 10th November, 2015*

**Pramod Kumar Jain**
**Chairman & Managing Director**

***DCW LIMITED - Manufacturers of CHEMICALS THAT MAKE INDUSTRIES HUM***
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